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August 23, 2004

VIA EMAIL: secretary@cftc.gov

Ms. Jean A. Webb
Secretary of the Commission
Commodity Futures Trading Commission
3 Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RE: Self-Certification filing amending HedgeStreet Rule 1.1(n), 1.1(o), 1.1(q) 3.1(a)(ii), (b), (f), 3.2(a), (c), 3.4, 4.2(a), (b), (c)(i)-(ii), (d), (e), 5.14, 9.6(a)

Dear Secretary Webb:

In accordance with Commission Regulation 40.6(a)(2) and (3), HedgeStreet, Inc. ("HedgeStreet") hereby files with the Commission the amendments described below with the text of the rules stated in Exhibit A. The rule deletions are stricken out and the amendments or additions are underlined. HedgeStreet intends to implement these amendments on August 24, 2004. No substantive opposing views were expressed to HedgeStreet with respect to these amendments. HedgeStreet hereby certifies that HedgeStreet's Rules, as amended by these amendments, comply with the Commodity Exchange Act, as amended, and the Commission's regulations adopted thereunder.

DESCRIPTION OF ADDITIONS AND AMENDMENTS

Rule 1.1(n), (o)

HedgeStreet has renumbered both terms. There have been no substantive changes to these definitions.

Rule 1.1(q) & 5.14

HedgeStreet has added these rules to create rules governing the manner in which Speculative Position Limits will be handled by HedgeStreet.

Rule 3.1(a)(ii), (b), (f), 3.2(a), (c), 3.4, 4.2(a), (b), (c)(i)-(ii), (d), (e), 9.6(a)

HedgeStreet has amended these rules in order to allow for entity accounts to have more than one authorized representative.



Should you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,

Stephanie Ford
Vice President, Legal & Compliance



EXHIBIT A

RULE 1.1 DEFINITIONS

When used in these Rules;

(a) – (m) [unchanged]

(n) **“Settlement Date”** means the date on which money is paid to the account of a Member who has the right to receive money pursuant to a Fixed Payout Hedgelet Contract. Unless otherwise specified in these Rules, the Settlement Date is the same day as the Expiration Date.

(o) **“Settlement Value”** means the amount paid to the accounts of holders of in-the-money Contracts. The Settlement Value of a Fixed Payout Hedgelet Contract is \$10.

(p) [unchanged]

(q) **“Speculative Position Limits” or “Position Limit”** means the maximum position, either net long or net short, in one Series or a combination of various Series of a particular Class that may be held or controlled by one Member as prescribed by HedgeStreet and/or the CFTC

(r) – (t) except for renumbering, these rules are unchanged

RULE 3.1 APPLICATIONS, CLASSIFICATIONS, AND PRIVILEGES

(a) – (a)(i) [unchanged]

(ii) if you are an entity, you must be organized in the United States, have an account or accounts with a Financial Institution that you will use to fund your HedgeStreet account at the HedgeStreet settlement bank and to receive funds from your HedgeStreet account, and you must certify that you are validly organized, in good standing, and authorized by your governing body and, if relevant, documents of organization, to trade commodities, futures and options contracts, that you have read and understand the HedgeStreet Risk Disclosure Statement and Membership Agreement, that you agree to be bound by these Rules, and that the individual(s) authorized to trade your account will trade only for you and will not trade for him/herself or as an intermediary for any other entity or person.



(b) In order to become a Member, you must complete and submit the HedgeStreet on-line membership application, provide HedgeStreet with any other information HedgeStreet may request, and fund your HedgeStreet account by transferring to the customer segregated funds account at HedgeStreet's settlement bank an initial deposit of no less than \$500 in funds from your account at a Financial Institution. If you are a Member applicant but not an individual, you must designate an individual or individuals who is are authorized to trade in your account.

(c) – (e) [unchanged]

(f) Except as otherwise permitted under these rules, no Member and no Member's authorized representative(s) may maintain and/or trade more than one HedgeStreet account.

RULE 3.2 MEMBER OBLIGATIONS

(a) As a Member, you and/or your authorized representative(s) must comply with these Rules, relevant provisions of the Commodity Exchange Act, and relevant Commission regulations. You must also cooperate promptly and fully with HedgeStreet, its agents, and/or the Commission in any investigation, call for information, inquiry, audit, examination, or proceeding. Additionally, you must update your e-mail address within 24 hours after it has changed and update all other information provided in your application for membership within five days after that information has changed. If you fail to satisfy these obligations, HedgeStreet may revoke or suspend your privileges in full or in part. You may also be subject to civil or criminal prosecution.

(b) [unchanged]

(c) As a Member, you and/or your authorized representative(s) are required to review the "Exchange Notices" section of the HedgeStreet website to make yourself aware of material changes to these Rules or other notices that may affect your rights and obligations as a Member of HedgeStreet.

RULE 3.4 AUTHORIZED REPRESENTATIVES



Members other than natural persons must apply for authorization for ~~the~~ all representative(s) who will access their accounts. Only Member representatives authorized by HedgeStreet and the Member may enter and execute transactions on the Market. Before a Member representative (s) may enter orders or execute trades on the Market, they must acknowledge having read and understood these Rules and agree to comply with these Rules.

RULE 4.2 MARKET MAKER REPRESENTATIVES

(a) Like other Members that are not natural persons, quotations and orders for entity Market Makers may be submitted to HedgeStreet only by the Market Maker's authorized representative(s), and ~~that~~ such authorized representative (s) may not trade for his or her own account or the account of any other Member.

(b) A Market Maker may be required to submit evidence of the authority of an authorized representative to act on behalf of the Market Maker and such other information about any authorized representative as HedgeStreet may request. A person may be conditionally approved as ~~the~~ an authorized representative of a Market Maker subject to any conditions HedgeStreet may consider appropriate in the interests of promoting a fair and orderly market.

(c) HedgeStreet may withdraw or suspend the registration of ~~the~~ any authorized representative of any Market Maker if HedgeStreet determines that;

(i) ~~the~~ an authorized representative has caused the Market Maker to fail to comply with the Rules of HedgeStreet;

(ii) ~~the~~ an authorized representative is not properly performing the responsibilities of an authorized representative of a Market Maker;

(iii) ~~the~~ an authorized representative has failed to comply with the conditions set forth in paragraph (b) of this Rule; or

(iv) [unchanged]

(d) If HedgeStreet suspends the registration of ~~an~~ any authorized representative, the Market Maker must ensure that the suspended authorized representative or representatives does do not submit any quotes or orders into the HedgeStreet system.

(e) The registration of an authorized representative will be withdrawn upon the written request of the Market Maker for which ~~the~~ an authorized representative is registered. Such written request shall be submitted in a manner prescribed by



HedgeStreet. Until such written request is received, or ~~the~~ an authorized representative's registration is suspended or withdrawn pursuant to paragraph (c) of this Rule, a Market Maker will be responsible for all order entry and trading activity of ~~the~~ such authorized representative(s).

RULE 5.14 SPECULATIVE POSITION LIMITS

(a) HedgeStreet has imposed Speculative Position Limits on certain Classes of Contracts as defined in Chapter 12 of these Rules. Any Member who exceeds a Speculative Position Limit shall be deemed in violation of this Rule 5.14. In addition, any Member entering bids or offers, if accepted, causing the Member to exceed the applicable Speculative Position Limit shall be in violation of this Rule.

(b) If a Member fails to reduce any position in a manner and time as directed by HedgeStreet, HedgeStreet shall have the authority to liquidate the applicable position to a level below the defined Speculative Position Limit stipulated under the relevant Class of Contracts in Chapter 12 of these Rules.

(c) In addition to the restrictions and requirements imposed in Section 5.14(a) and (b), the first violation of a Speculative Position Limit by a Member shall result in a letter of warning to be issued by the HedgeStreet Compliance Department to the Member.

(d) In addition to the restrictions and requirements placed in Section 5.14(c), any subsequent violation of a Speculative Position Limit within the preceding 12 months by a Member shall result in the issuance of a second letter of warning to be issued to the Member and the suspension or revocation of membership privileges in accordance with Chapter 9 of these Rules.

RULE 9.6 SUMMARY SUSPENSION

(f) HedgeStreet may summarily suspend or restrict a Member (or any of its authorized representative's) privileges if the chairman and the chief executive officer believe suspension or restriction is necessary to protect the commodity futures markets, HedgeStreet, the public, or other Members. If either the chief executive officer or the chairman or an entity with whom the chief executive officer or chairman is associated has a financial, personal, or other direct interest in the matter that is the basis of the summary action, the chief executive officer and/or chairman will not make any decision with respect to summary action and that decision will instead be made by a member of the board of directors chosen by a compliance officer to act in the place of the chief executive officer and/or chairman.